

Congress of the United States
Washington, DC 20515

August 8, 2014

836

The Honorable Tom Wheeler
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20536

Dear Chairman Wheeler:

We write to request that the Commission make additional changes to certain aspects of Phase II of the Connect America Fund (CAF II) to provide greater certainty for broadband providers and encourage investment in the expansion of service. CAF II offers an opportunity to bring affordable broadband Internet to homes and businesses across America. We also support the Commission's continuous review of the minimum broadband standards to ensure that residents and businesses across the country have better access to higher speeds.

As our communities grow more interconnected, broadband Internet has become an increasingly essential tool in building businesses, applying for jobs, enhancing educational opportunities and accessing critical health services. In today's technology-centric economy, the current connectivity of Americans may determine the economic vitality of our rural communities for generations to come. With robust broadband service, small towns across Colorado can rely on their own residents' talent and determination to win the global economic race. Fortunately, CAF II is a tremendous opportunity to bring speedier, fiber-fed broadband connections to tens of thousands of Coloradans who wouldn't otherwise have access to this modern necessity.

To ensure the success of this vital program, we ask that the Commission's final rule include additions that will increase certainty and incentivize investment in the deployment of broadband to our rural areas. First, we ask that the CAF II funding period be extended from the current five years to ten years, while maintaining the annual budget of \$1.8 billion, to allocate adequate time and resources for the construction of the higher-capacity network. Second, in cases where data is available to indicate which locations in a census block are unserved is available, we believe participating carriers should be able to shift a portion of CAF II support to reach these unserved portions and guarantee that such communities aren't left behind once the CAF II mission is complete. Finally, we ask that the Commission be as precise as possible when evaluating whether areas are "served" to ensure all the residents of a census block have access to broadband. As we enter the final phase of the Connect America Fund, we are hopeful that these additions will provide the flexibility necessary to support the program's overall mission and continue to expand broadband investment throughout the state.

Despite years of federal efforts to increase connectivity and overcome the digital divide, we still often hear from constituents seeking assistance to bring broadband service to their homes. Unless further steps are taken to reform USF, we fear many rural Coloradans will be denied the health, education and economic benefits supported by broadband infrastructure. Thank you for your consideration of our request, and I look forward to working with you to bridge the digital divide.

Sincerely,



Mark Udall
U.S. Senator



Michael F. Bennet
U.S. Senator



Ed Perlmutter
Member of Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

August 28, 2014

The Honorable Mark Udall
United States Senate
730 Hart Senate Office Building
Washington, D.C. 20510

Dear Senator Udall:

Thank you for your letter regarding the implementation of certain aspects of Phase II of the Connect America Fund (CAF II). In your letter, you express concerns that the overall mission of the CAF II program could be endangered if the Commission increases the current broadband speed benchmark for program recipients to 10 Mbps downstream /1 Mbps upstream without allowing flexibility in other elements of the program, and suggest several proposals to provide such flexibility. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

I agree with you that high-speed broadband access is an essential component for economic growth in rural communities. The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America have the same opportunities as their urban and suburban counterparts to be active participants in the United States of the 21st century. We are focused on updating the universal service high-cost program to ensure that we are delivering the best possible voice and broadband experiences to rural America within the confines of our Connect America budget, while providing increased certainty and predictability for all carriers and a climate for increased broadband expansion.

In April, the Commission voted to move forward with Phase II of the Connect America Fund for price-cap carriers. Among other things, the *Connect America Fund Phase II Report & Order* sets a term of 10 years for support awarded through the competitive bidding process to stimulate greater interest from participants and ensure that funding is targeted efficiently to expand broadband-capable infrastructure throughout the country. In addition, in the associated *Further Notice of Proposed Rulemaking (FNPRM)*, the Commission sought comment on a number of the issues you raise, including revising the current broadband performance obligations to require minimum speeds of 10 Mbps downstream, and applying the same performance obligations to all recipients of Phase II support and to rate-of-return carriers. The *FNPRM* also seeks comment on a proposal to allow recipients more flexibility as to other components of the program, such as the ability to substitute locations in partially-served census blocks for locations in the unserved census block for which it received support.

We expect a robust record on these topics and I welcome a dialogue with stakeholders as to how best to accomplish our shared objectives. I look forward to working with you as we continue reforming and modernizing the universal service fund high-cost program – as well as

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other components of the Fund – to ensure that all Americans have access to robust voice and broadband services.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

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Tom Wheeler



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

August 28, 2014

The Honorable Michael Bennet
United States Senate
458 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Bennet:

Thank you for your letter regarding the implementation of certain aspects of Phase II of the Connect America Fund (CAF II). In your letter, you express concerns that the overall mission of the CAF II program could be endangered if the Commission increases the current broadband speed benchmark for program recipients to 10 Mbps downstream /1 Mbps upstream without allowing flexibility in other elements of the program, and suggest several proposals to provide such flexibility. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

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Tom Wheeler



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

August 28, 2014

The Honorable Ed Perlmutter
U.S. House of Representatives
1410 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Perlmutter:

Thank you for your letter regarding the implementation of certain aspects of Phase II of the Connect America Fund (CAF II). In your letter, you express concerns that the overall mission of the CAF II program could be endangered if the Commission increases the current broadband speed benchmark for program recipients to 10 Mbps downstream /1 Mbps upstream without allowing flexibility in other elements of the program, and suggest several proposals to provide such flexibility. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

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